

Senate Homeland Security and Governmental Affairs Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security

“Finding Solutions to the Challenges Facing the U.S. Postal Service”

Statement of Senator Daniel K. Akaka

Thank you, Mr. Chairman, for holding this important hearing to discuss options for getting the Postal Service back on sound financial footing.

Last year, I supported S. 1507, which would have reduced the burdensome requirement that the Postal Service pre-pay retiree health benefits. However, I strongly disagreed with a provision impacting collective bargaining rights that was added during markup of the bill.

I want to commend Chairman Carper for continuing to seek alternatives to help the Postal Service. Many of these alternatives are reflected in his bill, the Postal Operations Sustainment and Transformation Act (POST Act).

First and foremost, the POST Act would address billions of dollars that the Postal Service may have overpaid into the civil service pension fund. By most accounts, this solution would alleviate the financial burden of the retiree health pre-payment requirement and give the Postal Service much needed operating funds. As Chairman of the Federal Workforce Subcommittee, I look forward to additional analysis of the potential overpayment to make sure that this fix would not impact the continued viability of the Civil Service Retirement and Disability Fund for other federal workers.

I am pleased that the POST Act would allow the Postal Service to offer additional products and services in order to raise revenue. Increasing business through innovation is just as important as cost-cutting measures.

However, the bill does contain some controversial provisions. It would tip the scales in favor of the Postal Service in collective bargaining, even further than in S. 1507, by adding new factors that favor the Postal Service over workers. Postal workers have worked extensively to help address the Postal Service's financial crisis. Any changes to the collective bargaining process should have buy-in from all sides.

I also worry that the provision on closing rural post offices could leave small communities with more limited access to postal facilities. I understand that the current process for closing postal facilities may be burdensome. However, we must make sure that any changes still allow Americans reasonable access to post offices.

Finally, the POST Act would expand the authority of the Postal Service to reduce delivery service to five days or less. In September, I submitted testimony to the Postal Regulatory Commission asking them to carefully consider the unique impacts of reducing delivery service on the people of Hawaii, such as delivery of medicine and access to alternative shipping services. I ask consent to enter that testimony into the record.

I do want to acknowledge the outstanding savings and efficiencies created by the Postal Service over the last few years using its existing authorities. I hope that Congress can take action on issues of broad agreement to address Postal Service's immediate needs.

I look forward to continuing to work with my colleagues, and I thank the Chairman for holding this important hearing.